

ORIGINAL

AJO IMPROVEMENT COMPAN
P. O. DRAWER 9
AJO, ARIZONA 85321

Telephone: 520-387-7151 Fax: 520-387-7627



0000085539

RECEIVED

50

2008 JUN -2 A 10:10

AZ CORP COMMISSION
DOCKET CONTROL

May 20, 2008

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85321 85007

Re: Notice of Compliance -Third Phase-In of Wastewater Rates
Decision No. 67092 – Docket No. WS-01025A-03-0350.

To Whom It May Concern:

The purpose of this letter is to notify the Arizona Corporation Commission and its Staff that the Ajo Improvement Company's (AIC) Wastewater Division implemented Phase III of the sewer rate increase on February 1, 2008.

The Commission required AIC to implement a phased-in approach to the increase in the monthly service charge in order to ease the impact of the increase. The method for phased-in rates provided for three equal increases of \$3.34 per month over different periods of time. The first phase of the increase occurred on July 1, 2004. The second phase of the increase occurred on August 1, 2007.

Attached is a copy of the notice which was sent to each AIC sewer customer of record and a copy of a utility bill which reflects the current monthly charge of \$16.10.

Please contact me if you have any questions or concerns.

Sincerely

Raymond T. Romero
Manager

Attachments (2)

Arizona Corporation Commission

DOCKETED

JUN -2 2008

DOCKETED BY	nr
-------------	----

Arizona Corporation Commission
May 20, 2008
Page 2

Cc: Carmel Hood, Compliance, ACC
Ruben Mesa, Controller Resource Mgmt., Freeport-McMoran Copper & Gold
Michael Patten, Roshka, DeWulf & Patten PLC
John Galaska, Project Administrator Resource Mgmt.,
Freeport-McMoran Copper & Gold
Docket Control (13 copies)

Important Notice – Please Read

Upcoming Changes to Ajo Improvement Company's SEWER Service Rates and Charges

On June 29, 2004, the Arizona Corporation Commission approved increases to Ajo Improvement Company's rates and charges for sewer service.

In approving the rate increase to the monthly service charge, the Commission required Ajo Improvement Company to implement a phased-in approach to the increase in the monthly service charge in order to ease the impact of that increase. The method for phased-in rates provided for three equal increases of \$3.34 per month over different periods of time. The first phase of the increase occurred on July 1, 2004. The second phase of the increase occurred on August 1, 2007.

The THIRD phase of the sewer rate increase will take effect on FEBRUARY 1, 2008 and the amount shown below will be reflected in the bill you receive in early March 2008.

The new Ajo Improvement Company sewer rates for the applicable services are set forth below. Other rates and charges will not change from those previously approved in 2004. The complete tariff is available at Ajo Improvement Company in Ajo. If you have any questions about the Phase 3 rates and charges, please contact Ajo Improvement Company at 520-387-7151.

MONTHLY SERVICE CHARGES:

Residential Service – Per Month:

Phase I (effective July 1, 2004)	\$9.42
Phase II (effective August 1, 2007)	12.76
Phase III (effective February 1, 2008)	16.10

Customers Billed on Residential Equivalents ("REU"):

Industrial, Commercial and Schools – Per REU:

Phase I (effective July 1, 2004)	\$9.42
Phase II (effective August 1, 2007)	12.76
Phase III (effective February 1, 2008)	16.10

Make check payable to

AJO IMPROVEMENT COMPANY
PO DRAWER 9 AJO, AZ 85321-0009
PHONE (520) 387-7151

ACCOUNT NUMBER	DATE DUE
11.00985.4	03/22/2008
AMOUNT DUE	ENTER AMOUNT PAID
61.70	

1172

PAYMENT DUE UPON RECEIPT

AJO REALTY
900 SOLANA
AJO AZ 85321

CHANGE OF ADDRESS/TELEPHONE NUMBER

MAILING ADDRESS

CITY STATE ZIP TELEPHONE

PLEASE WRITE YOUR ACCOUNT NUMBER ON YOUR CHECK, DETACH HERE AND RETURN THIS PORTION WITH YOUR PAYMENT.

CUSTOMER NAME		SERVICE LOCATION		ACCOUNT NUMBER		DUE DATE	
AJO REALTY		320 E 2ND AVE.		11.00985.4		03/22/2008	
BILLING DATE	03/05/08	SERVICE PROVIDED FROM	02/01/2008	TO	02/29/2008	DAYS THIS BILLING	29
DESCRIPTION		PREVIOUS READING	PRESENT READING	USAGE		SUB TOTAL	
WATER		131	153	22		14.95	
ELECTRICITY		35350	35545	195		27.10	
SEWER						16.10	
USE TAX-WATER						0.01	
SALES TAX						3.54	
PENALTY						0.00	
<p>Shut-off date for January 2008 past due balances is March 6, 2008.</p> <p>AUTOMATIC PAYMENT SUBSCRIBERS: Utility Bill amounts will be deducted from your checking/savings accounts on March 20, 2008.</p> <p>PHASE III OF THE SEWER RATE INCREASE TOOK EFFECT FEBRUARY 1, 2008 AND IS REFLECTED IN THIS BILLING.</p>							
Electric Meter Charge		Per Month	\$1.45				
Electric Meter Maintenance		Per Month	\$0.12				
Electric Meter Reading		Per Month	\$1.58				
Electric Billing		Per Month	\$0.90				
Electric Collection		Per Month	\$1.17 -				
Total Fixed Charge			\$5.20				
Distribution Usage Charges		Per kWh	\$0.0276210				
Base Cost of Power		Per Month	\$0.0346990				
Purchased Power Adjustment		Per kWh	\$0.050000 -				
TOTAL VARIABLE CHARGE			\$0.112320				
TOTAL CURRENT CHARGES						61.70	
Past Due Amount (Previous Balance)						0.00	
TOTAL AMOUNT DUE						61.70	